LEGISLATIVE RESEARCH COMMISSION

CHILD SUPPORT

REPORT TO THE 1987 GENERAL ASSEMBLY OF NORTH CAROLINA

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STATE OF NORTH CAROLINA

LEGISLATIVE RESEARCH COMMISSION

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December 15, 1986

TO THE MEMBERS OF THE 1987 GENERAL ASSEMBLY:

The Legislative Research Commission herewith reports to the 1987 General Assembly on the matter of Child Support. The report is made pursuant to Chapter 790 of the 1985 Session Laws.

This report was prepared by the Legislative Research Commission's Committee on Child Support and is transmitted by the Legislative Research Commission for your consideration.

Respectfully submitted,

Liston B. Ramsey

J. J. (Monk) Harrington

Cochairmen
Legislative Research Commission

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I. Proposed Legislation, A BILL TO BE ENTITLED AN ACT TO CLARIFY PROCEDURES FOR IMPLEMENTING INCOME WITHHOLDING PURSUANT TO A SUPPORTING PARTY'S REQUEST.

PREFACE

The Legislative Research Commission, authorized by Article 6B of Chapter 120 of the General Statutes, is a general purpose study group. The Commission is cochaired by the Speaker of the House and the President Pro Tempore of the Senate and has five additional members appointed from each house of the General Asembly. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigation into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner" (G.S. 120-30.17(1).

At the direction of the 1985 General Assembly, the Legislative Research Commission has undertaken studies of numerous subjects. These studies were grouped into broad categories and each member of the Commission was given responsibility for one category of study. The cochairmen of the Legislative Research Commission, under the authority of General Statute 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and the public to conduct the studies. Cochairman, one from each house of the General Assembly, were designated for each committee.

The study of child support was authorized by Subdivision (35) of Chapter 790 of the 1985 Session Laws. That act states that the

Commission may consider Senate Bill 638 in determining the nature, scope and aspects of the study. Section 1 of Senate Bill 638 reads:

> "The Legislative Research Commission may study the issue of child support and related matters including consideration of the need to establish a Commission to examine all issues related to child support that were set forth in the federal Child Support Amendments of 1984 (P.L. 98-378)."

Relevant portions of Chapter 790 and Senate Bill 638 are included in Appendix A of this report.

The Legislative Research Commission grouped this study in its children area under the direction of Senator Lura Tally. The Committee was chaired by Senator Helen Rhyne Marvin and Representative Ruth Easterling. The full membership of the Committee is listed in Appendix C of this report.

INTRODUCTION

The establishment and enforcement of child support in North Carolina has taken on the status of "big business." Child support collections in North Carolina last year totaled over $156 million. The child support program has grown seventy percent since its beginning.

The Child Support Study Committee began meeting in December of 1985. The focus of the work concerned the mandates of the Child Support Amendments enacted by Congress in 1984 and what North Carolina had to do to comply. The Child Support Study Committee issued an interim report to the 1986 Session of the General Assembly. The Study Committee recommended four bills in response to the Congressional legislation. All four bills were enacted by the General Assembly in the 1986 Session.

The following summarizes the child support enactments in the 1986 Session:

1. AN ACT TO AMEND THE GENERAL STATUTES TO ESTABLISH PROCEDURES FOR WITHHOLDING FROM WAGES AND OTHER INCOME IN CHILD SUPPORT CASES AS REQUIRED BY FEDERAL LAW (SB 303). The act requires automatic withholding from wages and other sources of income for child support when an arrearage equal to one month's obligation accumulates. The procedures are mandatory for cases handled by the IV-D Child Support Agency. In other cases, withholding is available as a remedy in cases handled by private

attorneys or in contempt or revocation of probation hearings initiated by the clerks of court. Procedures are set up for advance notice to the obligor and mechanisms to contest and terminate the withholding. Employers' and other payors' responsibilities are set out, and a penalty section is established for prohibited conduct by employers or payors. The effective date is October 1, 1986.

2. AN ACT TO PROVIDE FOR EXPEDITING CHILD SUPPORT CASES AS REQUIRED BY FEDERAL LAW (SB 939). Federal law requires that child support cases be disposed of according to certain timetables (90% of the cases in 3 months, 98% in 6 months, 100% in 12 months). This legislation requires district court judges to dispose of child support cases within 90 days from filing of the case. If the federal time mandates are not met, the act establishes a child support hearing officer (who is a magistrate or clerk of court) to expedite the establishment or enforcement of child support orders. DHR is required to pursue waivers for judicial districts that can comply with the federal timetables without the need to establish the hearing officer. The qualifications and duties of the hearing officer are defined. Finally, the procedures and provisions for appeal under this system are described. The effective date is October 1, 1986.

3. AN ACT TO ACHIEVE GREATER CONSISTENCY AND EQUITY IN THE

SETTING OF CHILD SUPPORT OBLIGATION AMOUNTS THROUGH THE USE OF GUIDELINES (SB 924). This legislation requires the Conference of Chief District Court Judges to promulgate uniform, statewide guidelines for the computation of child support obligations of each parent. Eight factors that may be considered by the judge are included. The guidelines are to be advisory. The act will take effect October 1, 1987.

4. AN ACT TO AMEND THE APPLICATION FEE AND COST RECOVERY PROVISIONS RELATED TO THE IV-D CHILD SUPPORT PROGRAM (SB 925). This bill amends the present statutes related to the recovery of costs in the IV-D Child Support Program. The present application fee of $10.00 is deleted and either a $5.00 or $25.00 fee will be collected, depending on the gross household income of the client. Costs of providing IV-D services will be recovered only in cases where the client's household income exceeds 200% of the federal poverty level. Three methods to recover the costs are specified:

   1. 10% deduction from support received;
   2. voluntary payments by the client or obligor;
   3. payments by the obligor ordered by the court.

   Any debt that is owed for services is the responsibility of the client and obligor.

COMMITTEE PROCEEDINGS

The Child Support Study Committee met twice following the 1986 Session of the General Assembly. Below is a short synopsis of each meeting. The more detailed minutes of each meeting are available in the Legislative Library of the Legislative Building.

Meeting on November 6, 1986

The Child Support Study Committee met on November 6, 1986, to review the implementation of the child support bills from the 1986 Session. Two speakers made presentations on the execution of and administrative response to the legislation.

Mr. Franklin Freeman, Director of the Administrative Office of the Courts, spoke first. Concerning expedited process, Mr. Freeman stated that a reporting procedure began October 1 in all counties to collect information on the timeliness in handling support cases. A letter was sent to all district court judges regarding the 60-day hearing requirement. The Administrative Office of the Courts, in conjunction with the Clerks of Court, developed forms for use in income withholding. The forms and procedures were distributed statewide in September.

Mr. Edwin C. Riley, Chief of Child Support Enforcement, spoke next. He stated that training, workshops, and policies were established in response to the new legislation for IV-D Offices across the State. Letters were sent to 5,500 employers, and meetings are being conducted

to assist them in understanding the new laws. The IV-D Offices are using the AOC forms and have adopted the support guidelines of the Conference of Chief District Judges. Mr. Riley reported that IV-D is scrutinizing the cost recovery program and working towards getting the support payment to the custodial parent quickly.

The Committee considered and discussed numerous issues, including:

(1) Increasing caseload in the judicial system and Offices of the Clerks of Court;

(2) Service of process;

(3) Consolidation of support statutes;

(4) Verification of income of owing parents;

(5) Moving responsibility of handling URESA cases from the D.A.'s Offices to IV-D;

(6) Full coverage of all support cases under the 1983 automatic enforcement legislation;

(7) Effectiveness of the cost recovery program; and

(8) The need for an ongoing Child Support Commission.

Meeting on December 3, 1986

The final meeting of the Child Support Study Committee was held on December 3, 1986. The Committee approved the report and the proposed legislation for recommendation to the Legislative Research Commission and the 1987 Session of the General Assembly.

RECOMMENDATIONS

The Child Support Study Committee makes the following recommendations to the Legislative Research Commission and the 1987 Session of the General Assembly:

1. It is recommended that the General Assembly establish a permanent, ongoing Child Support Commission to provide oversight in child support establishment, collection. (See Appendix H) It is recommended that this Commission study and formulate legislation, if necessary, on the recommendations in this report.
2. It is recommended that the statutes on child support be recodified and consolidated. The North Carolina Bar Association has agreed to assist in the drafting and revision process.
3. It is recommended that a study be made of the advisability of transferring the handling of URESA cases from the District Attorneys' Offices to the IV-D Offices.
4. It is recommended that all income and all sources of income be subject to mandatory disclosure in the setting and enforcement of child support.
5. It is recommended that a study be made of the present cost recovery program in IV-D cases as to whether it is cost effective or not.

6. It is recommended that the issue of automatic modification of child support amounts be studied.

7. It is recommended that service of process and fees for service of process be studied, including the possible use of part-time or special deputies who would only serve child support papers.

8. It is recommended that raising the statute of limitations in criminal nonsupport cases be studied.

9. It is recommended that the issues of child custody and visitation be studied.

10. It is recommended that a procedure be set out in the income withholding statutes when the supporting parent request income withholding. (See Appendix I).

APPENDICES

"(d) It shall be unlawful to operate a noncommercial passenger vehicle registered or which is required to be registered in this State, including passenger cars, pickup trucks and passenger vans, upon any highway or public vehicular area with a windshield or any other window which does not meet the light transmittance requirements of federal motor vehicle safety standard No. 205. Provided, vehicles with a windshield or any other window installed prior to August 1, 1985 which does not meet the light transmittance requirements of federal motor vehicle standard No. 205 or vehicles transporting deceased human remains will be exempt from the provisions of this subsection.

(e) No motor vehicle inspection certificate shall be issued on or after January 1, 1987 for a motor vehicle subject to subsection (d) with a windshield or any other window which does not meet the light transmittance requirements of federal motor vehicle safety standard No. 205. Any motor vehicle otherwise subject to subsection (d) will be exempt from the provisions of this subsection provided the vehicle owner provides the motor vehicle inspector a document, attesting that any windshield or any other window not in compliance with subsection (d) was installed prior to August 1, 1985."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 18th day of July, 1985.

S.B. 636 **CHAPTER 790**

AN ACT AUTHORIZING STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, MAKING TECHNICAL AMENDMENTS THERETO, AND TO MAKE OTHER AMENDMENTS.

The General Assembly of North Carolina enacts:

Section 1. Studies Authorized. The Legislative Research Commission may study the topics listed below. Listed with each topic is the 1985 bill or resolution that originally proposed the issue or study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

(1) Continuation of the Study of Revenue Laws (H.J.R. 17-Lilley),

(2) Continuation of the Study of Water Pollution Control (H.J.R. 141-Evans),

(3) Adolescent Sexuality Teaching (H.J.R. 275-Jeralds),

(4) Continuation of the Study on the Problems of the Aging (H.J.R. 322-Greenwood),

(5) Continuation of the Study of Municipal Incorporations (H.J.R. 389-Greenwood),

(6) School Discipline (H.J.R. 861-Colton),

(7) Bail Bondsmen and Bail Bond Forfeiture (H.B. 967-Watkins),

(8) Preventative Medicine (H.B. 1052-Locks),

(9) Life Care Arrangements (H.B. 1053-Locks),

(10) State Personnel System (H.B. 1064-Wiser),

(11) Long-Term Health Care Insurance (H.B. 1103-Locks),

(12) Itinerant Merchants (H.B. 1170-Lancaster),

Sec. 3. Reporting Dates. For each of the topics the Legislative Research Commission decides to study under this act or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation, to the 1987 General Assembly, or the Commission may make an interim report to the 1986 Session and a final report to the 1987 General Assembly.

Sec. 4. Bills and Resolution References. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

Sec. 5. The last sentence of G.S. 120-19.4(b) is amended by deleting the citation "G.S. 5-4" and inserting in lieu thereof the following: "G.S. 5A-12 or G.S. 5A-21, whichever is applicable".

Sec. 6. G.S. 120-99 is amended by adding a new paragraph to read:

"The provisions of G.S. 120-19.1 through G.S. 120-19.8 shall apply to the proceedings of the Legislative Ethics Committee as if it were a joint committee of the General Assembly, except that the chairman shall sign all subpoenas on behalf of the Committee."

Sec. 7. G.S. 120-30.17 is amended by adding a new subsection to read:

"(9) For studies authorized to be made by the Legislative Research Commission, to request another State agency, board, commission or committee to conduct the study if the Legislative Research Commission determines that the other body is a more appropriate vehicle with which to conduct the study. If the other body agrees, and no legislation specifically provides otherwise, that body shall conduct the study as if the original authorization had assigned the study to that body and shall report to the General Assembly at the same time other studies to be conducted by the Legislative Research Commission are to be reported. The other agency shall conduct the transferred study within the funds already assigned to it."

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 18th day of July, 1985.

S.B. 489 **CHAPTER 791**

AN ACT TO MAKE ADDITIONAL APPROPRIATIONS FOR VARIOUS STATEWIDE PROJECTS AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

Section 1. The outline that follows shows the heading "——CONTENTS/INDEX——" and it lists by general category the descriptive captions for the various sections and groups of sections that make up the act. This outline is for reference only, and the outline and the corresponding entries throughtout the act in no way limit, define, or prescribe the scope or application of the text of the act.

——CONTENTS/INDEX ——

——SCHOOL QUALITY ASSURANCE FUNDS
Sec. 2.

(13) Manufactured Housing Zoning (H.B. 1178-Ballance, S.B. 636-Plyler),

(14) Interest Rate Regulation (H.J.R. 1227-Evans),

(15) Underground Storage Tank Leakage Hazards and other ground water hazards (H.B. 1281-Locks),

(16) Mental Patient Commitments (H.J.R. 1313-Miller),

(17) High-Level Radioactive Waste Disposal (H.B. 1373-Diamont; S.B. 655-Hipps),

(18) Stun Guns (H.J.R. 1390-McDowell),

(19) Continuation of the Study of Water Quality in Haw River and B Everett Jordan Reservoir (H.J.R. 1393-Hackney),

(20) Authority of Boards of County Commissioners in Certain Counties over Commissions, Boards and Agencies (H.J.R. 1405-Holroyd),

(21) Superintendent of Public Instruction and State Board of Education (H.J.R. 1412-Nye),

(22) Rental Referral Agencies (H.B. 1421-Stamey),

(23) Child Abuse Testimony Study (S.B. 165-Hipps),

(24) Home Schooling Programs (S.J.R. 224-Winner),

(25) Pretrial Release (S.J.R. 297-Winner),

(26) Inmate Substance Abuse Therapy Program (S.J.R. 317-Plyler),

(27) Inmate Work-Release Centers (S.B. 306-Swain),

(28) Community College System (S.B. 420-Martin),

(29) Community Service Alternative Punishment and Restitution (S.B. 495-Swain),

(30) State Employee Salaries and Benefits (S.B. 514-Jordan),

(31) State Infrastructure Needs (S.B. 511 Royall),

(32) Commercial Laboratory Water Testing (S.B. 573-Taft),

(33) Outdoor Advertising (S.B. 611-Thomas, R.P.),

(34) Premium Tax Rate on Insurance Companies (S.B. 633-Hardison)

(35) Continuation of the Study of Child Support (S.B. 638-Marvin),

(36) Local Government Financing (S.B. 670-Rauch),

(37) Medical Malpractice and Liability (S.B. 703-Taft),

(38) Marketing of Perishable Food (S.B. 718-Basnight),

(39) Child Protection (S.B. 802-Hipps),

(40) Legislative Ethics and Lobbying (S.B. 829-Rauch),

(41) Satellite Courts (S.B. 850-Barnes),

(42) Substantive Legislation in Appropriations Bills (S.B. 851-Rand),

(43) School Finance Act (S.B. 848-Taft).

Sec. 2. Transportation Problems at Public Facilities. The Legislative Research Commission may identify and study transportation problems at public transportation facilities in North Carolina.

Sec. 2.1. The Legislative Research Commission may study the feasibility of the prohibition of investment by the State Treasurer of stocks of the retirement systems listed in G.S. 147-69.2(b)(6), or of the assets of the trust funds of The University of North Carolina and its constituent institutions deposited with the State Treasurer pursuant to G.S. 116-36.1 and G.S. 147-69.2(19) in a financial institution that has outstanding loans to the Republic of South Africa or in stocks, securities, or other obligations of a company doing business in or with the Republic of South Africa.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1985

S

2

SENATE BILL 638
Second Edition Engrossed 6/7/85

Short Title: LRC Child Support Study. (Public)

Sponsors: Senator Marvin.

Referred to: Rules and Operations of the Senate.

May 15, 1985

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO STUDY CHILD SUPPORT ISSUES.

The General Assembly of North Carolina enacts:

Section 1. The Legislative Research Commission may study the issue of child support and related matters[S-/][S-, including consideration of the need to establish a Commission to examine all issues related to child support that were set forth in the federal Child Support Amendments of 1984 (P.L. 98-925).] The Legislative Research Commission may make an interim report, including recommendations, to the 1985 General Assembly, Regular Session 1986, and may make a final report to the 1987 General Assembly.

Sec. 2. This act is effective upon ratification.

LEGISLATIVE RESEARCH COMMISSION

Senator J. J. Harrington, Cochairman
Senator Henson P. Barnes
Senator A. D. Guy
Senator Ollie Harris
Senator Lura Tally
Senator Robert D. Warren

Representative Liston B. Ramsey, Cochairman
Representative Christopher S. Barker, Jr.
Representative John T. Church
Representative Bruce Ethridge
Representative Aaron Fussell
Representative Barney Paul Woodard

Subject: Child support
Auth: Chapter 790 § 1 (35) (SB 636-Sen. Plyler, et al), SB 638 (Sen. Marvin)

Members

President Pro Tem's Appointments	Speaker's Appointments
Sen. Helen Rhyne Marvin Cochair 119 Ridge Lane Gastonia, NC 28052 (704) 864-2757	Rep. Ruth M. Easterling Cochair 811 Bromley Road, Apt. 1 Charlotte, NC 28207 (704) 375-5934
Sen. Henson P. Barnes Post Office Drawer 7 Goldsboro, NC 27530 (919) 735-6420	Rep. Daniel H. DeVane Post Office Drawer N Raeford, NC 28376 (919) 875-2528
Ms. Bobby Robinson 2823 Crickett Lane Winston-Salem, NC 27105	Rep. A. M. Hall 718 Market Street Wilmington, NC 28401 (919) 343-8433
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APPENDIX D

04-Nov-86

STATEWIDE
CHILD SUPPORT COLLECTIONS
AND
IMPACT OF LEGISLATION

MONTH	1982-83 COLLECTIONS	1983-84 COLLECTIONS	1983-84 % INCR FROM '82	1984-85 COLLECTIONS	1984-85 % INCR FROM '83	1984-85 % INCR FROM '82	1985-86 COLLECTIONS	1985-86 % INCR FROM '84	1985-86 % INCR FROM '83	1985-86 % INCR FROM '82
OCTOBER	$6 970 205	$8 646 855	24 05%	$11.458.742	32.52%	65 40%	$12 803 551	11 74%	48 07%	83 69%
NOVEMBER	7.186.483	8.886.531	23 66%	10.491.768	18.06%	45.99%	11.082.524	5 63%	24 71%	54 21%
DECEMBER	7.145.204	8.782.769	22 92%	10.364.480	18.01%	45.06%	13.281 177	28 14%	51 22%	85.88%
JANUARY	7.096.513	8.963.221	26 30%	10.554.214	17.75%	48.72%	12 676.523	20.11%	41 43%	78 63%
FEBRUARY	6.911.229	8.956.853	29 60%	10.264.034	14 59%	48 51%	12 097.118	17 86%	35 06%	75.04%
MARCH	7.977.527	9.695.359	21.53%	11.276.639	16.31%	41.36%	12.268.885	8.80%	26 54%	53 79%
APRIL	7.507.122	9.564.258	27 40%	11.957.884	25.03%	59.29%	14.292.774	19.53%	49.44%	90.39%
MAY	7.896.137	10.099.378	27.90%	12.175.728	20 56%	54.20%	13.401.602	10.07%	32.70%	69 72%
JUNE	7 901.250	9.735.163	23 21%	10.837.491	11.32%	37 16%	13.411 996	23 76%	37.77%	69 75%
JULY	7.346.159	9.895 445	34 70%	11.944.543	20.71%	62.60%	13.435 067	12.48%	35 77%	82 89%
AUGUST	8 392.909	10.466 350	24 70%	11.581.478	10 65%	37 99%	12.966.267	11.96%	23 89%	54 59%
SEPTEMBER	8 040.660	9.451.142	17.54%	11 875.730	25.65%	47 70%	14.322.112	20 60%	51.54%	78.12%
TOTAL	$90.371.399	$113.143.327	25.20%	$134.782.732	19.13%	49.14%	$156.039.595	15.77%	37 91%	72 66%
LESS NORMAL GROWTH FACTOR			-13.00%		-13.00%	-27.69%		-13.00%	-27.69%	-44.29%
NET EFFECT			12.20%		6.13%	21.45%		2.77%	10.22%	28.38%

	OCT-SEP Y/T/D TOTAL 85/86	OCT-SEP % INCREASE IN 1985/86 OVER 84/85	OCT-SEP % INCREASE IN 1985/86 OVER 83/84	OCT-SEP % INCREASE IN 1985/86 OVER 82/83
1 Alamance	4,104,050.97	11.99%	32.15%	74.11%
2 Alexander	562,504.13	11.71%	39.98%	78.17%
3 Alleghany	149,299.06	-13.59%	8.88%	25.05%
4 Anson	768,442.26	16.13%	54.97%	119.66%
5 Ashe	319,044.13	19.72%	39.80%	92.22%
6 Avery	227,889.74	12.06%	37.80%	73.38%
7 Beaufort	1,019,225.40	11.18%	28.64%	42.17%
8 Bertie	806,518.78	17.31%	45.32%	61.28%
9 Bladen	840,748.34	13.72%	36.23%	76.28%
10 Brunswick	1,028,977.92	15.75%	35.99%	80.47%
11 Buncombe	4,642,889.21	11.39%	25.10%	45.04%
12 Burke	1,298,511.40	19.39%	34.67%	73.44%
13 Cabarrus	2,682,963.70	11.08%	35.26%	59.35%
14 Caldwell	1,446,762.40	20.13%	50.32%	96.46%
15 Camden	84,967.04	-0.70%	30.72%	62.22%
16 Carteret	1,165,122.85	10.29%	26.96%	39.84%
17 Caswell	501,087.78	3.54%	30.01%	105.28%
18 Catawba	2,817,054.79	13.81%	36.00%	84.75%
19 Chatham	660,296.48	20.90%	40.51%	85.16%
20 Cherokee	296,519.65	18.85%	42.48%	122.85%
21 Chowan	451,685.96	19.33%	58.59%	101.13%
22 Clay	94,803.25	8.30%	39.48%	140.60%
23 Cleveland	2,228,006.47	22.97%	44.63%	73.94%
24 Columbus	1,334,661.55	7.41%	22.94%	44.61%
25 Craven	2,142,547.19	12.22%	37.53%	58.01%
26 Cumberland	6,942,097.81	27.22%	57.77%	102.39%
27 Currituck	217,090.81	26.51%	55.71%	83.94%
28 Dare	295,893.87	13.05%	48.43%	84.74%
29 Davidson	2,645,587.53	6.83%	30.65%	63.38%
30 Davie	593,974.21	17.54%	39.12%	85.57%
31 Duplin	852,392.38	14.54%	28.07%	54.09%
32 Durham	4,228,186.41	18.89%	51.40%	99.44%
33 Edgecombe	1,787,796.95	15.54%	34.17%	76.25%
34 Forsyth	6,716,774.81	18.57%	33.77%	56.56%
35 Franklin	843,071.52	15.27%	27.71%	53.02%
36 Gaston	4,621,089.25	17.45%	36.05%	74.28%
37 Gates	165,397.01	25.22%	95.36%	179.48%
38 Graham	102,132.04	19.54%	39.04%	66.10%
39 Granville	466,754.60	19.00%	57.62%	99.18%
40 Greene	371,193.27	16.86%	38.54%	70.78%
41 Guilford	10,155,232.44	9.32%	21.93%	52.52%
42 Halifax	1,753,023.24	20.19%	45.50%	98.21%
43 Harnett	1,398,727.32	21.27%	49.33%	93.17%
44 Haywood	770,570.24	0.44%	14.82%	47.83%
45 Henderson	1,081,162.74	13.80%	47.75%	74.42%
46 Hertford	859,307.85	6.60%	23.64%	47.69%
47 Hoke	615,168.21	11.31%	30.96%	54.73%
48 Hyde	112,363.74	15.05%	39.96%	53.91%
49 Iredell	2,159,999.64	12.70%	33.32%	69.83%
50 Jackson	316,645.18	15.68%	47.21%	89.59%
51 Johnston	2,068,918.67	27.79%	62.45%	108.61%

		OCT-SEP Y/T/D TOTAL 85/86	OCT-SEP % INCREASE IN 1985/86 OVER 84/85	OCT-SEP % INCREASE IN 1985/86 OVER 83/84	OCT-SEP % INCREASE IN 1985/86 OVER 82/83
52	Jones	321.840.83	24.00%	42.86%	59.64%
53	Lee	1,143,193.71	20.48%	31.21%	81.27%
54	Lenoir	1,959,164.59	12.42%	30.49%	48.89%
55	Lincoln	851,176.68	7.19%	24.57%	49.19%
56	Macon	282,330.70	17.27%	44.28%	80.28%
57	Madison	208,814.35	2.89%	21.12%	60.32%
58	Martin	859,682.54	14.46%	32.57%	63.99%
59	McDowell	653,992.51	11.27%	21.95%	56.19%
60	Mecklenburg	11,632,945.63	18.81%	65.01%	108.68%
61	Mitchell	209,597.84	19.50%	53.39%	97.72%
62	Montgomery	489,795.43	24.50%	39.63%	74.56%
63	Moore	1,165,463.09	14.70%	40.74%	93.75%
64	Nash	1,707,495.35	17.97%	44.11%	82.31%
65	New Hanover	3,415,355.20	12.89%	39.53%	62.00%
66	Northampton	611,650.46	18.71%	41.89%	75.87%
67	Onslow	2,593,111.40	21.10%	40.51%	76.06%
68	Orange	1,236,611.27	21.11%	38.50%	91.13%
69	Pamlico	278,961.43	12.38%	36.78%	93.44%
70	Pasquotank	680,857.82	12.95%	50.33%	98.22%
71	Pender	722,144.27	30.53%	63.15%	106.70%
72	Perquimans	183,904.94	16.27%	49.75%	96.36%
73	Person	730,459.57	15.23%	45.56%	74.40%
74	Pitt	2,215,776.57	20.21%	37.98%	67.74%
75	Polk	145,377.09	10.64%	16.60%	37.21%
76	Randolph	1,998,563.45	15.86%	35.18%	53.82%
77	Richmond	1,401,191.68	10.67%	29.67%	49.69%
78	Robeson	3,773,853.65	14.94%	40.75%	66.75%
79	Rockingham	2,741,247.28	17.28%	38.43%	73.78%
80	Rowan	2,359,750.78	15.56%	43.31%	64.52%
81	Rutherford	1,064,210.26	21.08%	49.24%	95.83%
82	Sampson	1,462,556.35	22.44%	41.64%	80.27%
83	Scotland	1,333,262.82	13.21%	34.48%	69.06%
84	Stanly	1,172,918.03	21.74%	51.84%	100.04%
85	Stokes	427,772.21	13.03%	27.09%	65.52%
86	Surry	1,122,855.87	8.09%	38.94%	76.65%
87	Swain	220,223.49	2.96%	14.25%	42.86%
88	Transylvania	574,896.49	10.28%	33.77%	49.99%
89	Tyrrell	62,580.86	13.13%	30.41%	70.21%
90	Union	2,104,751.10	24.07%	53.09%	118.89%
91	Vance	1,044,365.69	16.88%	40.45%	73.62%
92	Wake	7,191,603.94	13.73%	44.69%	75.90%
93	Warren	642,056.05	20.04%	39.90%	61.77%
94	Washington	439,972.00	8.14%	14.37%	20.44%
95	Watauga	399,513.00	15.19%	10.89%	45.91%
96	Wayne	2,406,092.93	18.09%	36.77%	66.31%
97	Wilkes	1,185,039.07	14.36%	30.02%	55.19%
98	Wilson	1,939,438.31	10.31%	37.56%	68.30%
99	Yadkin	626,287.47	26.05%	50.65%	71.20%
100	Yancey	229,756.32	27.17%	51.89%	101.07%
	TOTAL	$156,039,594.56	15.77%	39.16%	72.66%

APPENDIX E

RECEIVED
SEP 30 1986
GENERAL RESEARCH DIVISION

ADMINISTRATIVE OFFICE OF THE COURTS
JUSTICE BUILDING
P O BOX 2448
RALEIGH NORTH CAROLINA 27602

NKLIN E FREEMAN JR
DIRECTOR

DALLAS A CAMERON JR
ASSISTANT DIRECTOR

September 23, 1986

M E M O R A N D U M

TO: District Court Judges

FROM: Franklin Freeman, Jr.

SUBJECTS: (1) HEARING OF CHILD SUPPORT CASES WITHIN 60 DAYS
(2) WAGE WITHHOLDING IN CHILD SUPPORT CASES

60 DAY HEARING OF CHILD SUPPORT CASES

Effective October 1, 1986, all civil child support cases must be disposed of by the District Court within 60 days of filing except where paternity is an issue. For this purpose child support cases include proceedings to establish or enforce a support obligation. [G.S. 50-31(1)] This 60 day limit can be extended up to 30 days in only two situations: (1) where the parties consent or (2) where one party cannot be present. [G.S. 50-32] For the purpose of beginning the 60 day clock, a "filing" is defined to mean the date on which the defendant is served (rather than when the pleading is filed) or the date on which a pleading is sent to a party seeking establishment or enforcement of a child support obligation. [G.S. 50-31(5)]

Chief District Judges are respectfully requested to arrange court schedules, if you have not already done so, so that these cases may be heard within the legislatively mandated time frame.

This mandated time frame is a result of federal legislation requiring child support cases to be heard in an expeditious manner. In order to comply with these federal guidelines, and to demonstrate our compliance with the federal time frames, the Clerks of Superior Court will, at our request, commence tracking the age of each action filed to establish a child support obligation on and after October 1, 1986. This information will be accumulated and sent to the United States Department of Health and Human Services on a quarterly basis and/or as they request.

A photocopy of the legislation establishing the 60 day limit and an expedited process is enclosed for your information. (See specifically G.S. 50-32). Please note G.S. 50-30 setting forth the state policy in these cases, particularly G.S. 50-30(b).

WAGE WITHHOLDING

Effective October 1, 1986, wage withholding becomes a remedy available to those seeking to enforce child support obligations. Attached is a set of the forms developed for implementation of this new law along with the procedures to be followed by the Clerks of Superior Court in implementing wage withholding in their offices.

With all good wishes and kind personal regards, I remain

Respectfully,

Franklin

Franklin Freeman, Jr.

FF,Jr:ccm

Enclosure

cc: Chief Justice Rhoda Billings
Senator Dennis Winner
Senator Helen Marvin
Senator Charles Hipps
Representative Martin Lancaster
Representative Anne Barnes
Representative Dan Blue
Representative Ruth Easterling
Mr. John Syria
Ms. Bonnie Cramer
Mr. Ed Riley
Ms. Jennie Dorsett

North Carolina Department of Human Resources
325 North Salisbury Street • Raleigh, North Carolina 27611

James G. Martin, Governor

Phillip J. Kirk, Jr., Secretary

October 1, 1986

Dear North Carolina Employer:

Legislation was recently enacted which provides for withholding from the wages and other forms of income of individuals who have failed to make child support payments. I firmly believe that this method of child support enforcement will be of great benefit to the children of North Carolina.

I want to encourage you to support us in the implementation of this procedure and to assure you that the Department of Human Resources, the local Child Support Enforcement Agencies and the Clerks of Superior Court across the State stand ready to assist you in matters related to the withholding requirements of the law. I have attached a fact sheet which should answer many of the questions you might have regarding income withholding.

I was very pleased that representatives of the business community were deeply involved in both the planning and development of this legislation and throughout the legislative deliberations. As a result of this cooperation and assistance, the law that was passed meets the needs of the State and is not unnecessarily burdensome of employers.

By helping us with this new income withholding procedure, you will be clearly providing a valuable service to both the children and the taxpayers of our State. I urge you to contact our Child Support Enforcement Program as indicated on the fact sheet if you have questions or concerns.

Sincerely,

Phillip J. Kirk, Jr.

Phillip J. Kirk, Jr.
Secretary

ECR:jm

STATE OF NORTH CAROLINA

CHILD SUPPORT ENFORCEMENT

N. C. DEPARTMENT OF HUMAN RESOURCES
DIVISION OF SOCIAL SERVICES
CHILD SUPPORT ENFORCEMENT SECTION
RALEIGH, NORTH CAROLINA
(919) 733-4120

INCOME WITHHOLDING INFORMATION FOR EMPLOYERS AND OTHER PAYORS OF INCOME

50,000 copies of this form were printed at a cost of $1060.00 or $.0212 per copy.

DSS-7936 (10-86)
CHILD SUPPORT ENFORCEMENT

INCOME WITHHOLDING FOR CHILD SUPPORT

Federal Law requires **State Child Support Enforcement** agencies to automatically initiate income withholding when the parent obligated to pay support falls behind in an amount equal to one month's child support payments.

The **North Carolina Legislature** passed a law requiring that income withholding procedures be put in effect beginning October 1, 1986. As a payor of income in North Carolina, you may be asked to withhold for child support from one of your employees or other persons to whom you pay money.

This guide provides the answers to the questions that payors of income are likely to ask about their responsibilities regarding income withholding as provided by **North Carolina General Statutes 110.129, 136.3, 136.4, 136.7-136.10.**

Q. How will I be informed that I have to start withholding child support from an obligated parent's income?

A. You will receive a notice from the local child support agency or the clerk of court that tells you when to begin, how much to withhold, and where to send the money.

Q. Will I have to tell the obligated parent?

A. No. The affected person will already have received notice of the withholding and will have been given an opportunity to contest any mistakes of fact believed to be in the notice.

Q. How long after I receive the notice do I begin the withholding?

A. You must start withholding from the first pay due the obligated parent after the fourteenth day following your receipt of the notice to withhold, or sooner if you can.

Q. Can I combine all the withholdings I make in a pay period for the same **Clerk of Superior Court** and send one payment for the total?

A. Yes. One payment can be sent to any one clerk of court for the total amount as long as you include the obligated parent's name, court file number, and the amount withheld from each person.

Q. When do I send the payments to the clerk of court?

A. Within ten (10) days of the date you withhold the money.

Q. May I collect a fee for withholding to cover my administrative costs?

A. Yes. You may charge a fee of up to $2.00 in excess of the amount you are asked to withhold for each withholding that you make.

Q. What if the obligated parent has another type of withholding or garnishment order against his wages and a child support withholding against him? Which has priority?

A. Regardless of which you received first, the child support withholding always has priority and must be withheld first.

Q. What is the maximum amount that can be withheld each pay period from the obligated parent's wages?

A. Under no circumstances can the percentage of disposable income that you withhold exceed the following:

1. **40% of disposable income when only one support order exists.**

2. 45% of disposable income when multiple support orders exist and the obligated parent is supporting a spouse or other children.

3. 50% of disposable income when multiple support orders exist and the obligated parent is not supporting a spouse or other children.

Q. What is meant by disposable income?

A. Disposable income is that amount which remains after deductions for federal, state, and local taxes, Social Security, and involuntary retirement contributions.

Q. What if you are requested to withhold more than the obligated parent's disposable income and the circumstances will allow?

A. You should contact the agency that sent you the notice and attempt to resolve the problem informally.

Q. What happens if the obligated parent terminates employment?

A. You must notify the child support agency or Clerk of Superior Court that sent you the notice, in writing, and provide the obligated parent's last known address and the name of his new employer, if known.

Q. What are the penalties, if any, for failing to comply with or attempting to evade the requirements of the income withholding law?

A. If you willfully fail to withhold and forward amounts in accordance with the provisions of the law, you can be held liable for the amount you should have withheld. You cannot and will not be penalized if you try to comply to the best of your ability and simply make a mistake.

Q. What happens if I refuse to hire, discharge or take disciplinary action against an obligated parent solely because of the requirement to withhold for child support?

A. You can be fined as the court may direct. You can also be held liable for reasonable damages suffered by the obligated parent. Also, if an individual is discharged or demoted in violation of the law, he may be entitled to reinstatement to his former position.

Q. How do I know when to stop the withholding?

A. You will be notified by the local child support agency or Clerk of Superior Court when to terminate withholding.

Q. What if I have further questions regarding the child support income withholding law in North Carolina?

A. You should contact the closest Child Support Enforcement Office, Clerk of Superior Court, or call the State Child Support Enforcement Office at (919) 733-4120 or write:

Child Support Enforcement Section
441/443 North Harrington Street
Raleigh, North Carolina 27603-1393

INTRODUCED BY:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A COMMISSION ON CHILD SUPPORT.

The General Assembly of North Carolina enacts:

Section 1. Chapter 120 of the General Statutes is amended by adding a new Article 11A to read:

"Article 11A.

"Commission on Child Support.

"§ 120-57.1. Creation; membership; appointment.--There is created a Commission on Child Support to be composed of nine members, three Senators to be appointed by the President of the Senate, three Representatives to be appointed by the Speaker of the House, and three public members to be appointed by the Governor. Appointments to the Commission shall be made within 30 days subsequent to the adjournment of each regular session of the General Assembly in the odd-numbered years, beginning in 1987.

"§ 120-57.2. Terms of office; organization.--Members shall serve two-year terms, beginning on the day of appointment and ending on adjournment of the regular session of the General Assembly in odd-numbered years. Vacancies occurring during a term shall be filled for the unexpired term by the original appointing authority.

The President of the Senate and the Speaker of the House shall each designate a cochairman from their appointees. Either cochairman may call the first meeting of the Commission. The Commission may hold its meetings in the legislative buildings.

"§ 120-57.3. Powers and duties of the Commission.--The Commission is authorized:

(1) To identify the issues and concerns relating to child support;

(2) To review and formulate recommended legislation;

(3) To collect and evaluate reports and recommendations of various agencies, councils, and associations relating to child support;

(4) To monitor all programs associated with child support;

(5) To study any other issues pertinent to child support; and

(6) To file a report with the General Assembly not later than February 15, 1989, and February 15 of each subsequent session in the odd-numbered years on its work and recommendations.

"§ 120-57.4. Members to serve without compensation; subsistence and travel expenses.--Members of the Commission shall serve without compensation, but they shall be paid such per diem and travel expenses in accordance with G.S. 138-5. Members who are legislators shall be reimbursed for travel and subsistence expenses in accordance with G.S. 120-3.1.

"§ 120-57.5. Commission staffing.--The Commission shall use available employees, both secretarial and professional, of the General Assembly or may employ such employees as the Commission deems proper. The cochairmen may assign and direct the activities of the employees, subject to the advice of the Commission.

"§ 120-57.6. Assistance to the Commission.--The Department of Human Resources and any other departments, boards, or associations shall assist the Commission and furnish any information or expertise requested."

Sec. 2. There is appropriated from the General Fund to the General Assembly the sum of twenty thousand dollars ($20,000.00) for the fiscal year 1987-88 and twenty thousand dollars ($20,000.00) for the 1988-89 fiscal year for the expenses of the Commission on Child Support.

Sec. 3. This act shall become effective July 1, 1987.

DRAFT

AN ACT TO CLARIFY PROCEDURES FOR IMPLEMENTING INCOME WITHHOLDING PURSUANT TO A SUPPORTING PARTY'S REQUEST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-136.5 is amended by rewriting subsections (a) and (b) to read as follows:

"(a) Withholding based on arrearage. Notwithstanding any other provision of law, when an obligor is delinquent in an amount equal to the support payable for one month, the obligee may apply to the court, by motion or in an independent action, for an order for income withholding.

(1) The motion or complaint shall be verified and state, to the extent known:

a. that the obligor is under a court order to provide child support, and information sufficient to identify the order;
b. that the obligor is delinquent in an amount equal to the support payable for one month;
c. the amount of overdue support and the total amount sought to be withheld;
d. the name of each child for whose benefit support is due;
e. the name, location, and mailing address of the payor or payors from whom withholding is sought and the amount of the obligor's monthly disposable income from each payor.

(2) The motion or complaint shall include or be accompanied by a notice to the obligor, stating:

a. that withholding, if implemented, will apply to the obligor's current payors and all subsequent payors; and
b. that withholding, if implemented, will be continued until terminated pursuant to G.S. 110-136.10.

At any time the parties may agree to income withholding by consent order.

(b) Withholding based on obligor's request. The obligor may request at any time that income withholding be implemented. The request may be made either verbally in open court or by written request.

(1) A written request for withholding shall be verified and shall state:

a. that the obligor is under a court order to provide child support, and information sufficient to identify the order;
b. whether the obligor is delinquent and the amount of any overdue support;
c. the name of each child for whose benefit support is payable;

d. the name, location, and mailing address of the payor or payors from whom the obligor receives disposable income and the amount of the obligor's monthly disposable income from each payor;

e. that the obligor understands that withholding, if implemented, will apply to the obligor's current payors and all subsequent payors and will be continued until terminated pursuant to G.S. 110-136.10;

f. that the obligor understands that the amount withheld will include an amount sufficient to pay current child suppport, an additional amount toward liquidation of any arrearages, and a $2.00 processing fee to be retained by the employer for each withholding, but that the total amount withheld may not exceed the following percent of disposable income:

40% if there is just one order for withholding;
45% if there is more than one order for withholding and the obligor is supporting other dependent children or a spouse;
50% if there is more than one order for withholding and the obligor is not supporting other dependent children or a spouse.

(2) A written request for withholding shall be filed in the office of the clerk of superior court to which the obligor is directed to make child support payments. If the request states and the clerk verifies that the obligor is not delinquent, the court may enter an order for withholding without further notice or hearing. If the request states or the clerk finds that the obligor is delinquent, the matter shall be scheduled for hearing unless the obligor in writing waives his right to a hearing and consents to the entry of an order for withholding of an amount the court determines to be appropriate. The court may require a hearing in any case. Notice of any hearing under this subdivision shall be sent to the obligee."

Sec. 2. This act shall become effective _____.